

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 05-03
)	
THE AES DESIGN GROUP, INC.)	
and Dexter Yee,)	
)	
Respondents.)	
_____)	

CONCILIATION AGREEMENT

On or around February 2005, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents, The AES Design Group, Inc. and Dexter Yee ("Design" unless otherwise noted Design shall refer collectively to the corporation and Yee). Business Registration Division records lists Design's purpose as architectural and engineering consulting, whose business address is Pearlridge Center Uptown, Suite 213, 98-1005 Moanalua Road, Aiea, Hawaii. Business registration records list Dexter Yee as president and Alan K. Hirota as vice-president. The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Design and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.

- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.
- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waive the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
 1. On or around February 2005, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of candidate committee Jeremy Harris ("Harris"), initiated an investigation involving excess contributions in violation of particular campaign finance statutes.
 2. Section 11-204(a)(1)(C), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.

3. Section 11-202, HRS reads in part as follows: No person shall make a contribution of the person's own money or property, or money or property of another person to any candidate, party, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or who supplied the money or property.
4. The Commission finds that contributions made to Harris by friends of Dexter Yee from funds of Design include:

Leonila R. Stone	June 1999	\$1,000
Leonard Lau	June 1999	\$2,000
William Ganaden	June 1999	\$1,000
Noli Butay	June 1999	\$1,000
5. Design failed to file an organizational report pursuant to section 11-194, HRS.
6. Design failed to file disclosure reports pursuant to sections 11-212 and 11-213, HRS.
7. Design failed to file contractor reports pursuant to section 11-205.5, HRS.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement #05-03 Design understands and agrees to the following:

- (A) Design agrees to an assessment of **Four Thousand Five Hundred Dollars (\$4,500)** pursuant to section 11-228, HRS.

- (1) For violation of section 11-202, HRS, false name contributions to the Harris campaign committee;
 - (2) For violation of section 11-204, HRS, excess campaign contributions to the Harris campaign committee; and
 - (3) For failure to file an organizational report and required disclosure reports pursuant to sections 11-194, 11-212, 11-213 and 11-205.5, HRS.
- (B) Design does not admit to any further liability on the contributions under consideration in this matter.
 - (C) Design agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.
 - (D) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

X. This Agreement constitutes the entire agreement between the Commission and Design on the matters raised herein, and no other statement, promise,

or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.

- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Robert Y. Watada, Executive Director

By: _____

Date: _____

FOR THE RESPONDENT(S)

AES Design Group, Inc.

By: _____
Title

Dexter Yee

Date: _____